

**From:** [Mark Watkins](#)  
**To:** [Roxanna Ibarra](#)  
**Cc:** [Amanda Fagan](#)  
**Subject:** FW: Santa Paula Branch Line Railroad Lease and Operation Agreement  
**Date:** Thursday, December 9, 2021 3:00:57 PM

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Roxanna,

Please also include this in the packet for next week's VCTC meeting.

Mark

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**From:** Andy Sobel <ASobel@spcity.org>  
**Sent:** Sunday, December 5, 2021 8:53 PM  
**To:** Mark Watkins <mwatkins@goventura.org>  
**Subject:** FW: Santa Paula Branch Line Railroad Lease and Operation Agreement

I imagine you received this one some way or another, but just in case you did not.

Andy Sobel  
Santa Paula City Councilmember  
970 Ventura Street  
Santa Paula, CA 93060  
805-746-0332

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**From:** [ggherardi@verizon.net](mailto:ggherardi@verizon.net) [ggherardi@verizon.net]  
**Sent:** Sunday, December 05, 2021 1:26 PM  
**To:** 'Parks, Linda'  
**Cc:** Andy Sobel; Dan Singer  
**Subject:** Santa Paula Branch Line Railroad Lease and Operation Agreement

Hi Linda –

At your request, I have looked at the proposed agreement and I have a number of concerns in addition to the possible storage of hazardous materials. It is possible that these concerns are not founded because Exhibit A, detailing the leased County property and revenue affected by the agreement and Exhibit E defining city boundaries was not included in the agenda. In addition, I have some major concern with Exhibit C – Use of the Property which I will address. I would not agree to this contract without some modification.

First, several questions:

1. Has this agreement been reviewed by the SCRRA (Metrolink) lawyers, as VCTC is part of Metrolink and while they purposefully don't interfere with the line or maintenance, they could be responsible for the line? You should make sure there is no conflict of purposes or conditions which could create a now or future problem.
2. Do you have the missing Exhibits A and E to actually understand their plans?
3. Have you seen a budget of proposed revenue for Sierra Railroad?

4. What portion of their work, both in percentage and in dollars, is the planned new use of stored freight rail cars expected to be?
5. Where will these freight cars come from – where are they being stored now?
6. What additional security, enforcement and homeless encampments will be created by (and fall on the cities and the County) new freight “storage yards”
7. How will you guarantee that there is no hazardous residual in any stored rail car? The contract specifically allows for hazardous cars on the line and in temporary storage when loading or unloading, which presumably would be part of Sierra’s work and not a third party operation.

My general comment is that they apparently or possibly plan to change the operation of this line from an excursion/tourist generating line into a freight storage yard or line, something which is usually found in rail maintenance yards, and are usually dirty, filled with graffiti (which they agree to address every 6 months – isn't that magnanimous of them) and usually harbors criminal and homeless problems. Santa Paula usually covers up any graffiti within 24 hours of it occurring – do you really think the public will appreciate looking at this all the time? Take a look at what these cars look like and then decide – it certainly is not in keeping with the ways our cities currently maintain themselves. There appears to be no limitation on the amount of this type of activity permitted on the line. The document states under #3 that the storage cannot be located in cities but clearly states under item #3b that VCTC can approve them locating freight storage yards in cities. Given that is where there are multiple tracks, it is likely that downtown Santa Paula, Fillmore, Piru and Montalvo – possibly Saticoy as the County agreement is not included, by a vote of the other cities (or staff decision) could turn these cities into blighted, graffiti filled areas with increased criminal activity. At a minimum the agreement should specifically state that no freight storage is permitted inside city limits unless specifically approved by the VCTC with a 2/3 vote of its members. Otherwise, the affected cities and jurisdictions (Piru for example) have no protection and no way to stop them from turning those cities into places blighted areas no one would want to visit or live nearby. If you have not seen such areas, take a ride over to Oxnard near the tracks or take a train ride on the Ventura line and look at the areas as you come into the maintenance yard and Union Station area. I see absolutely no way to guarantee that they would not store cars that have some residual hazardous materials in them which could clearly cause a problem in local jurisdictions. Perhaps you could add a provision requiring each car to be inspected and certified for lack of hazardous materials, and graffiti before it is allowed to be stored on the line. Environmental remediation was done on the line with its original purchase, however, you could have an on-going environmental hazard requiring on-going remediation with the storage of these vehicles. I don't find their agreement to indemnify VCTC on hazardous problems caused by their actions particularly good. In the past, only on very rare occasions were freight vehicles serving customers on the line stored overnight to facilitate off loading.

I am also confused by the funding issue. It appears that all lease revenue – presumably now going to VCTC would go to them. Then it appears to exclude possible broadband, communication, cellular, public and private utility lines and equipment and states that VCTC will not assign existing leases or licenses to the railroad. Does this include oil pipeline lease revenue – how much is that these days? The premise of this agreement is that we will help Sierra Railroad obtain and get STP approval to become a common carrier for freight service on the line, something which UP has given lip service to in the past but never actually agreed to because it is against their economic best interests to do so. This is not a simple task – it is costly and time consuming and will not happen over night. Under Exhibit

C – Uses of the Property It says use MAY include: developing freight and transload customers. I presume this would be after they have a right to serve them, not before. The second, installing spur lines is more problematical. At a minimum that needs to be with the permission of the affected jurisdiction, consistent with zoning laws and with remuneration to any affected property owner coming from the railroad. These spur lines are frequently off the railroad track – we took out one major spur line at the request of the property owner going from the tracks up alongside Cummings Road and into the Limoneria plant as it was no longer needed. This can be a lengthy process and should only be done with appropriate local approvals and conditions. Some sort of condition requiring this needs to be added. The third item storing and switching rail cars is unlimited, subject to no approval and could blight the whole area. Some restriction needs to be placed on the amount and percentage of this activity if you decide to permit it at all. Under Tourism and seasonal passenger service there seems to be no requirement for the services and no “penalties” for providing nothing. Obviously, they want to make money but the local jurisdictions should have some guarantee that service will actually happen.

Lastly, it appears that if Sierra decides that this agreement on service isn't in their economic interest, all they have to do is give VCTC six months notice and walk away. There are some requirements for removing materials but basically VCTC could very likely be back in the same situation it is currently in in a couple of years if they are not successful. The agreement does not speak to them maintaining an office, staffing it or how they would handle any of the tourism related services. Fillmore & Western was based in Fillmore but that doesn't mean Sierra Railway will be. Have you seen these plans or any operational plans for them?

I don't know if any of this was helpful but to reiterate, I would not agree to this contract until more protection is put into it for the cities and VCTC and until there is a clarification and a specific limitation on the amount, hazardous materials and location of any freight storage cars. Please feel free to call me if I can provide further assistance. As a matter of practice, I do not usually read or check the VCTC agendas, so if something comes up where I can be of some assistance, please just contact me.

Ginger